

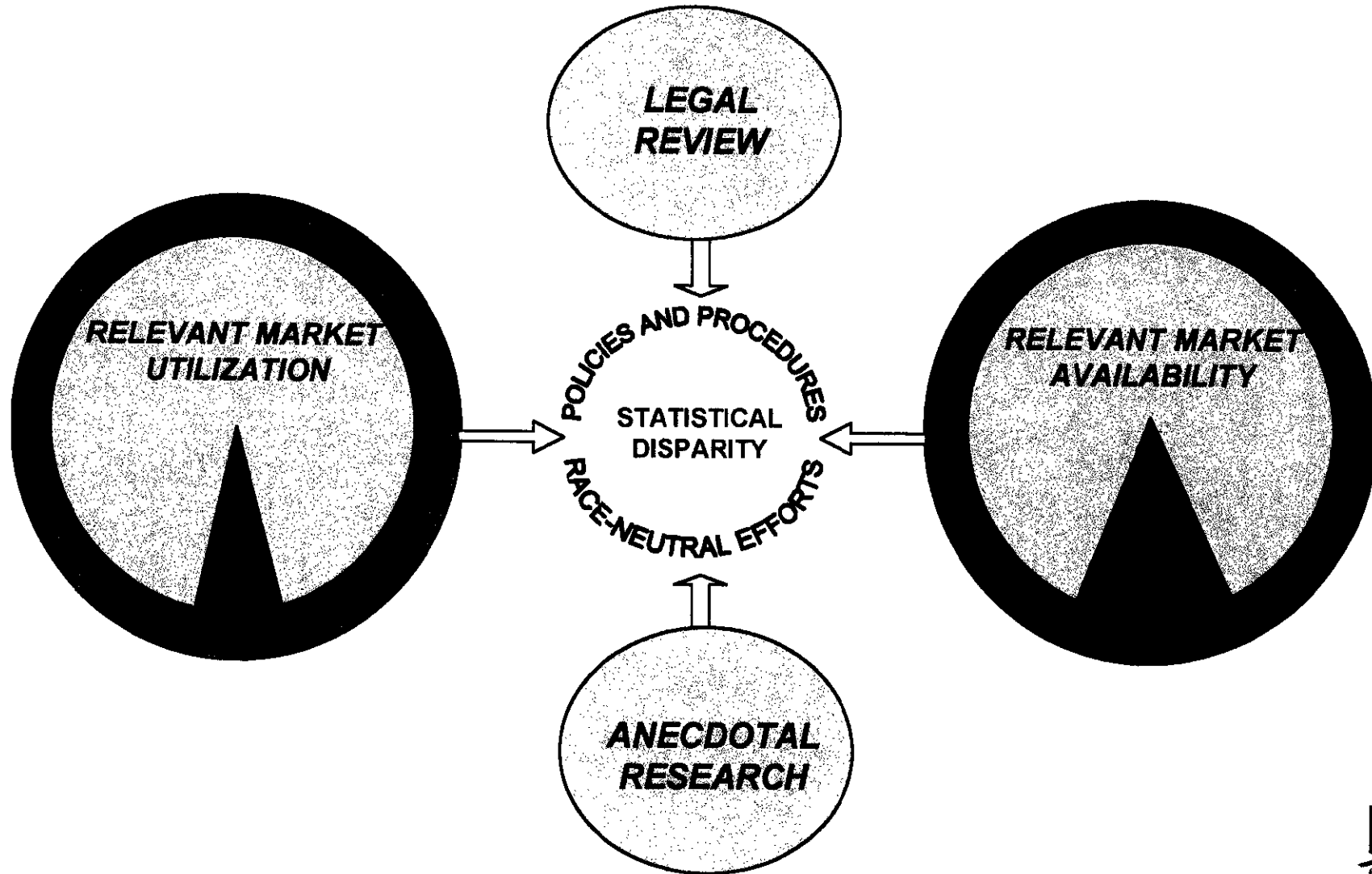
LEON COUNTY
Board of County Commissioners
Factual Predicate Study



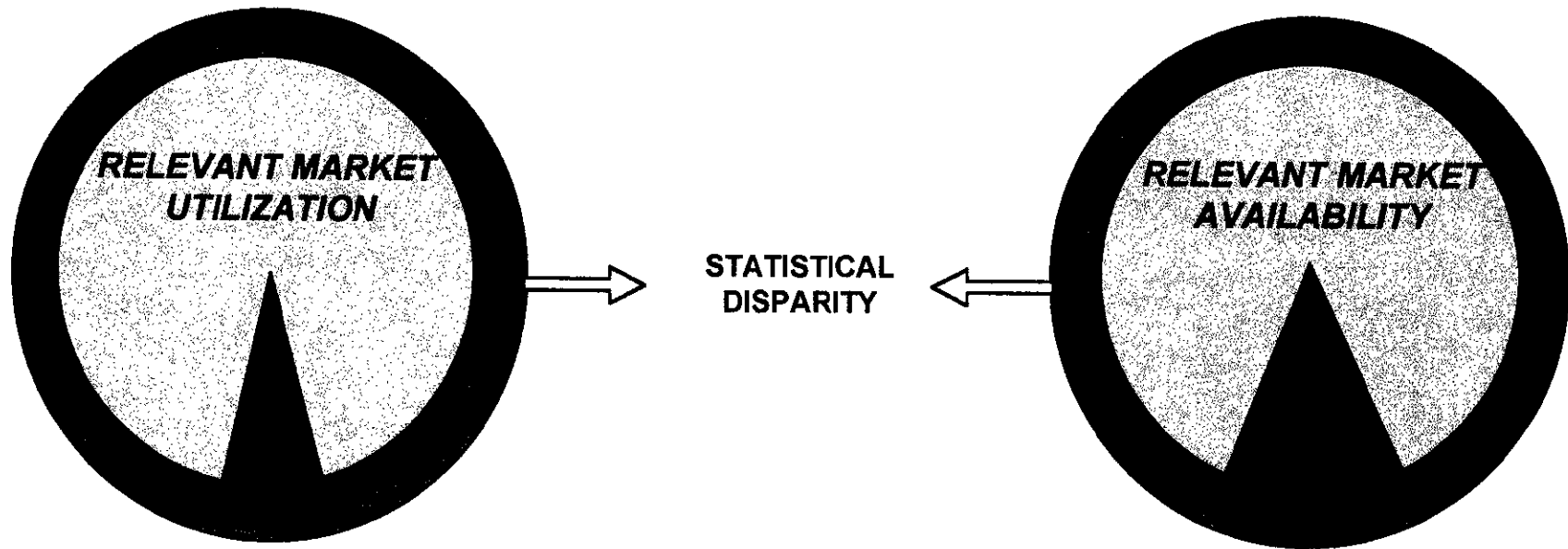
July 22, 2003

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DISPARITY STUDY MODEL



Leon County Study Model





Leon County

Technical Approach

- Determine the number of contracts, subcontracts and purchase order expenditures awarded to M/WBEs and non-M/WBEs to establish market area
- Analyze relative distribution of awards by business category to M/WBEs and non-M/WBEs
- Identify pool of available contractors, subcontractors and vendors
- Conduct a survey to gather business information that would be helpful in evaluating the County's current M/WBE program
- Compare utilization and availability data to determine the absence or presence of disparity



Statistical Analysis

Business Categories

- Construction
- Professional Services
- Other Services
- Materials and Supplies

M/WBE Classifications

- African Americans
- Hispanic Americans
- Asian Americans
- Native Americans
- Women

Collection of Data

- hard copy files of contract and payment information;
- purchase order and electronic payments data; and
- Pcard transaction electronic data.

Statistical Analysis (Cont'd)

Utilization of Firms

- MGT calculated the percentage utilization of M/WBEs and non-M/WBEs based on the percentage of dollars awarded or paid to each group within the the relevant market area for each fiscal year of the study period.
- The utilization analysis was based on procurement activity occurring between October 1, 1996 and September 30, 2001.



Statistical Analysis (Cont'd)

Availability of Firms

- Contract Winners;
- Firms notified of bid opportunities and contract bidders;
- State of Florida Office of Supplier Diversity Database;
- Capital City Black Pages;
- Urban League of Tallahassee;
- City of Tallahassee minority database; and
- the Florida A & M University Small Business Development Center.



Statistical Analysis (Cont'd)

Summary of Underutilization

Underutilization was statistically significant for:

- African American, Woman-owned and Hispanic American construction prime contractors;
- African American construction subcontractors;
- African American and Woman-owned professional services consultants;
- African American and Woman-owned professional services subconsultants;
- Non-M/WBE other services firms; and
- African American and non-M/WBE materials and supplies vendors.



Statistical Analysis (Cont'd)

Summary of Underutilization

Data from the 1994 study and the analysis presented in this report show similar patterns of underutilization by the County in the following categories:

- M/WBEs as construction prime contractors;
- M/WBEs, with the exception of Woman-owned firms as subcontractors;
- Firms owned by African Americans, Hispanic Americans, and Woman for professional services contract awards; and
- Firms owned by African Americans, Hispanic Americans, and Asian Americans as materials and supplies vendors

Summary and Recommendations

Additional research is needed to identify the causal factors for the similarities to include:

- Anecdotal research to determine if unfair business practices exist or if there is a perception of unfair business practices that prohibits M/WBE participation
- A review of the legal parameters for procurement programs designed to remedy underutilization
- An evaluation of the County's procurement policies and procedures to determine if there are inherent barriers to M/WBE participation, and the development of narrowly-tailored program remedies that address the identified issues.